

Agenda Date: March 31, 2005
Item Number: A4

Docket: UW-050233
Company Name: Burton Water Co., Inc.

Staff: Jim Ward, Regulatory Analyst

Recommendation:

Allow the revised tariff revisions as filed by Burton Water Co., Inc., in Docket UW-050233, to become effective April 1, 2005.

Discussion:

On February 10, 2005, Burton Water Co., Inc., (Burton Water or Company) filed for general rates in the amount of approximately \$19,584 (15.6%) of revenue per year. On March 25, 2005, the Company filed revised rates that would generate approximately \$16,861 (13.4%) of revenue per year. The Company serves 415 customers in the central part of Vashon Island located in King County.

The Company states the reason for filing for an increase is due to inflation in cost of labor and materials, legal cost of nitrate mitigation, and increased water quality testing required by Department of Health. The Company's last general rate increase was May 1998.

The Commission received comments from three customers of Burton Water Company. Customers are concerned about the quality of their water, and have contacted the Washington Departments of Health and Ecology. Customers feel the financial responsibility for treating water should fall upon Misty Isle Farms, which the Company cites in its customer notice as the cause of a high level of nitrates in the water. Current, proposed and revised rates are provided below.

| <u>Monthly Rate</u> | <u>Current</u> | <u>Proposed</u> | <u>Revised</u> |
|---------------------------------------|----------------|-----------------|----------------|
| Basic Charge (includes 400 cu. Ft.) | \$ 14.00 | \$ 18.00 | \$ 16.70 |
| <u>Monthly Usage Rate</u> | | | |
| 400 – 2,500 cu. ft. (per 100 cu. ft.) | \$ 1.80 | \$ 1.80 | \$ 1.80 |
| > 2,500 cu. ft. (per 100 cu. ft.) | \$ 2.50 | \$ 4.00 | \$ 3.00 |
| <u>Ready-to-Serve</u> | \$ 9.00 | \$ 11.00 | \$ 11.00 |
| <u>Flat Rate Service</u> | \$ 14.00 | \$ 18.00 | \$ 18.00 |

Regulatory Services Staff has reviewed the Company's information to support the filing. Staff believes the revised rates are appropriate. Therefore, Staff recommends that the Commission allow the revised tariff revisions as filed by Burton Water Co., Inc., in Docket UW-050233, to become effective April 1, 2005.

Attachment